

Student Aid Program Summary

Most federal student aid is need-based, taking into account an expected family contribution (EFC). Need-based financial aid comes in three basic types:

1. **Grants and scholarships**, which are considered gift aid and generally don't have to be paid back (sometimes a repayment is required if a student withdraws);
2. **Work-study**, which is money that you earn by working part-time while in school; and
3. **Loans**, which are funds that you (or your parent) borrow and must be paid back, usually after you leave school.

The following chart details the main federal student aid programs administered by the U.S. Department of Education. Not all schools participate in all of the programs listed.

Program	Description	Application	Annual/Aggregate Amounts	Eligibility*	Repayment Required
Federal Pell Grant	Grant program (Portable)	FAFSA required annually	<ul style="list-style-type: none"> • Annual minimum and maximum vary • Award amount is based on EFC and enrollment status • \$976 minimum for 2009-10¹ • \$5,350 maximum for 2009-10¹ • Receive for a maximum of 18 semesters 	<ul style="list-style-type: none"> • Undergraduate students without first baccalaureate or professional degree • Certain students enrolled in a post-baccalaureate teaching certification program • Based on need 	No
Academic Competitiveness Grant (ACG)	Grant program (Portable)	FAFSA required annually	<ul style="list-style-type: none"> • \$750 first year students • \$1,300 second year students 	<ul style="list-style-type: none"> • Federal Pell Grant recipient • Completed a rigorous secondary program of study • Enroll at least half time • 3.0 GPA (for second year) • Completed secondary school after January 1, 2006, for first year students and after January 1, 2005, for second year students 	No

*In addition to the General Student Eligibility Requirements

¹Congress has not yet passed legislation determining award amounts for the 2010-11 award year. Depending on enrollment, students could receive up to two Pell awards in one academic year.

Program	Description	Application	Annual/Aggregate Amounts	Eligibility*	Repayment Required
National Science and Mathematics Access to Retain Talent (SMART) Grant	Grant program (Portable)	FAFSA required annually	<ul style="list-style-type: none"> • \$4,000 for each of the third, fourth, and possibly fifth years of an academic program 	<ul style="list-style-type: none"> • Federal Pell Grant recipient • Pursue an eligible major² • 3.0 GPA • Enroll at least half time 	No
Teacher Education Assistance for College and Higher Education (TEACH) Grant	Grant program (Conditional) ³ (Portable) ⁴	FAFSA required for 2010-11	<ul style="list-style-type: none"> • \$4,000 annual maximum • \$16,000 undergraduate aggregate limit (includes postsecondary certification) • \$8,000 graduate aggregate limit 	<ul style="list-style-type: none"> • 3.25 GPA or qualifying score on admissions test • Agree to teach full time for at least 4 years within 8 years of graduation at a school serving a high percentage of low income students (Title I schools) • Agree to teach a specific subject 	Repayment required if student does not fulfill teaching requirement; grant funds become a Direct Unsubsidized Stafford Loan
Federal Supplemental Educational Opportunity Grant (FSEOG)	Campus-based grant program; funds awarded by institution	FAFSA required annually	<ul style="list-style-type: none"> • \$100 annual minimum • \$4,000 annual maximum (students on approved study abroad programs may receive up to \$4,400) • No aggregate limit 	<ul style="list-style-type: none"> • Undergraduate students without baccalaureate or professional degree • First priority given to Federal Pell Grant recipients with "exceptional financial need" (defined by law) 	No
Federal Work-Study (FWS)	Campus-based employment program; funds awarded by institution	FAFSA required annually	<ul style="list-style-type: none"> • No minimum or maximum • Award amount is dictated by school policy 	<ul style="list-style-type: none"> • Undergraduate and graduate students • Based on need 	No

*In addition to the General Student Eligibility Requirements

²As determined by the U.S. Department of Education in the fields of physical, life or computer sciences, mathematics, technology, engineering, or a critical foreign language.

³Failure to meet teaching obligation results in conversion of grant to unsubsidized Direct Stafford Loan

⁴Depending on institutional participation

Program	Description	Application	Annual/Aggregate Amounts	Eligibility*	Repayment Required
Federal Perkins Loan	Campus-based loan program; funds awarded by institution; 5% interest	FAFSA required annually; Master Promissory Note (MPN)	<ul style="list-style-type: none"> • \$5,500/year undergraduates • \$8,000/year graduate students • \$11,000 aggregate limit for students who have not yet completed 2 years of undergraduate program • \$27,500 undergraduate aggregate limit • \$60,000 combined undergraduate and graduate aggregate limit • Study Abroad: Annual and aggregates exceeding above noted amounts by as much as 20% 	<ul style="list-style-type: none"> • Undergraduate and graduate students • First priority given to students with exceptional financial need (defined by school) • Must first have determination of eligibility/ineligibility for Federal Pell Grant 	Yes; begins 9 months after cessation of at least half-time enrollment; deferment and cancellation provisions available
Federal Family Education Loan (FFEL)⁵/Federal Direct Student Loan (Direct Loan)—Subsidized and Unsubsidized Stafford Loans**	FFEL funds from private lenders; Direct Loan funds from federal government; not to exceed 6.8% fixed interest rate	FAFSA required annually; MPN obtained from FFEL school or lender or from Direct Loan school	<ul style="list-style-type: none"> • \$3,500 1st year undergraduates • \$4,500 2nd year undergraduates • \$5,500 each remaining undergraduate year • Undergraduate annual limits prorated for programs and remaining periods of enrollment less than an academic year • \$2,625 for preparatory coursework necessary to enroll in undergraduate program⁶ • \$5,500 for preparatory coursework necessary to enroll in graduate or professional degree program if already have baccalaureate⁶ • \$5,500/year for teacher certification if already have baccalaureate 	<ul style="list-style-type: none"> • Undergraduate and graduate students enrolled at least half-time • Must first have determination of eligibility/ineligibility for Federal Pell Grant • Must determine eligibility for subsidized Stafford Loan before determining eligibility for unsubsidized Stafford Loan • Interest subsidy based on need • Unsubsidized funds may be used to replace EFC 	Yes; begins 6 months after cessation of at least half-time enrollment; deferment possible; no interest subsidy on unsubsidized loan

*In addition to the General Student Eligibility Requirements

**School usually participates in either FFEL or Direct Loan Program; loan terms are similar under both programs

⁵At the time these materials were prepared, Congress was considering a proposal that would eliminate the FFEL Program effective July 1, 2010, and have all Stafford and PLUS Loans processed through the Direct Loan Program.

⁶FFEL/Direct Loan eligibility is limited to one 12-month period for student enrolled in preparatory coursework

Program	Description	Application	Annual/Aggregate Amounts	Eligibility*	Repayment Required
Federal Family Education Loan (FFEL)⁵/Federal Direct Student Loan (Direct Loan)—Subsidized and Unsubsidized Stafford Loans** (cont'd)			<ul style="list-style-type: none"> • \$8,500/year for graduate and professional students • \$23,000 undergraduate aggregate subsidized limit • \$65,500 combined undergraduate and graduate aggregate subsidized limit 		
FFEL⁵/Direct Loan—Additional Unsubsidized Stafford Loan**	Same as subsidized Stafford Loan	FAFSA required annually; MPN obtained from FFEL school or lender or from Direct Loan school	<p>Annual Loan Limits Dependent undergraduates whose parents can borrow a PLUS:</p> <ul style="list-style-type: none"> • \$2,000/year • Undergraduate annual limits prorated for programs or remaining periods of enrollment less than an academic year <p>Dependent students whose parents cannot borrow a PLUS:</p> <ul style="list-style-type: none"> • \$6,000/year 1st and 2nd undergraduate year • \$7,000 each remaining undergraduate year • Undergraduate annual limits prorated for programs or remaining periods of enrollment less than an academic year • \$7,000/year for teacher certification • \$6,000 for preparatory coursework necessary to enroll in undergraduate program⁶ 	<ul style="list-style-type: none"> • Must have determination of eligibility/ineligibility for Federal Pell Grant • Must determine eligibility for subsidized Stafford Loan before determining eligibility for additional unsubsidized Stafford Loan • May be used to replace EFC 	Yes; same as subsidized Stafford Loan

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Program	Description	Application	Annual/Aggregate Amounts	Eligibility*	Repayment Required
FFEL ⁵ /Direct Loan— Additional Unsubsidized Stafford Loan** (cont'd)			<p>Independent students:</p> <ul style="list-style-type: none"> • \$6,000/year 1st and 2nd undergraduate year • \$7,000 each remaining undergraduate year • Undergraduate annual limits prorated for programs or remaining periods of enrollment less than an academic year • \$12,000/year graduate or professional students • \$7,000/year for teacher certification • \$6,000 for preparatory coursework necessary to enroll in undergraduate program⁶ • \$7,000 for preparatory coursework necessary to enroll in graduate or professional degree program if already have baccalaureate⁶ <p>Aggregate Loan Limits</p> <p>Dependent undergraduates whose parents can borrow PLUS: \$31,000 minus outstanding subsidized amounts</p> <p>Dependent undergraduates whose parents cannot borrow PLUS and independent undergraduates: \$57,500 minus outstanding subsidized amounts</p> <p>Independent graduate, professional, or post-baccalaureate students: Defined by the Department of Education</p>		

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⁶FFEL/Direct Loan eligibility is limited to one 12-month period for student enrolled in preparatory coursework



Program	Description	Application	Annual/Aggregate Amounts	Eligibility*	Repayment Required
FFEL⁵/Direct PLUS**	FFEL funds from private lenders; Direct Loan funds from federal government; 8.5% fixed interest rate for FFEL PLUS and 7.9% fixed interest rate for Direct Loan PLUS	Some schools may require FAFSA; PLUS MPN obtained from FFEL school or lender or from Direct Loan school	No annual or aggregate amounts, except parent or graduate/professional student may not borrow more than difference between cost of attendance and other financial assistance student expects to received	<ul style="list-style-type: none"> • Natural and adoptive parents (and stepparents if included on FAFSA) of eligible dependent undergraduates enrolled at least half time and graduate/professional students • No adverse credit history • Must not be in default on a federal loan • Must be a U.S. citizen or eligible noncitizen • May be used to replace EFC 	Yes; begins 60 days after fully disbursed unless borrow requests and qualifies for a deferment

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